



## INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

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<p>(54) Title: <b>A METHOD AND SYSTEM FOR ROUTING CONTROL IN COMMUNICATION NETWORKS AND FOR SYSTEM CONTROL</b></p> <p>(54) Titre: <b>PROCEDE ET SYSTEME D'ACHEMINEMENT DE COMMANDES DANS DES RESEAUX DE COMMUNICATION, ET DE COMMANDE DU SYSTEME</b></p> <p>(57) Abstract</p> <p>The present invention relates generally to a method and system for routing control in communication networks and for system control. More particularly, the present invention performs routing by controlling the components in a network with software agents (102) operating in a reward framework using p, tau, and patches (104) to improve communication performance (106). This invention disclosure includes the combination of reinforcement learning agents in a market-based or performance-based reward framework together with optimization techniques called p, tau, and patches (104) as applied to the problem of topology-and load-based routing in data networks, in order to improve communication performance (106) such as communication latency and bandwidth. The invention also applies to the control of other systems, including operations management, job-shop problems, organizational structure, portfolio management, risk management etc.</p> <p>(57) Abrégé</p> <p>La présente invention concerne, de manière générale, un procédé et un système d'acheminement de commandes dans des réseaux de communication, et de commande du système. Pour réaliser les acheminements, la présente invention gère, en particulier, les composants du réseau à l'aide d'agents (102) logiciel travaillant en réseau à récompense utilisant les fonctions p, tau, et patches (104) de façon à améliorer le rendement (106) des échanges. Le procédé selon l'invention prend des agents d'apprentissage d'un réseau à récompense orienté marché ou rendement et les associe à des techniques d'optimisation de type p, tau, et patches (104), que l'on utilise pour résoudre les problèmes posés par les acheminements de type topologie et charge dans le cas des réseaux de données, et ce de façon à augmenter le rendement (106) des échanges, notamment les points tels que les mises en attente et les largeurs de bande. L'invention concerne également la gestion des autres systèmes, notamment la gestion de la mise en oeuvre, les problèmes de gestion des travaux, la structure d'organisation, la gestion des actifs, la gestion des risques, etc.</p>			

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**Description**

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A METHOD AND SYSTEM FOR ROUTING CONTROL IN  
COMMUNICATION NETWORKS AND FOR SYSTEM CONTROL

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**FIELD OF THE INVENTION**

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The present invention relates generally to a method and system for routing control in communication networks and for system control. More particularly, the present invention performs routing by controlling the components in a network with software agents operating in a reward framework using  $p$ ,  $\tau$ , and patches to improve communication performance.

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**Background**

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Modern data-communication networks, as a non-limiting example packet-switched data networks, often present many potential routes between nodes that wish to communicate.

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Decisions about the route that data should take are usually made in a decentralized fashion by routers at the nodes.

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Decisions must be decentralized both because a centralized routing device would make the network vulnerable to single-point failures and because it would be impractical to communicate routing decisions from a centralized device to all the nodes in a spatially disperse network. Ideally, routing decisions should take into account both network topology (e.g., finding the shortest or least-cost path between two nodes) and current and historical network load (i.e., finding paths that do not utilize currently or historically overloaded communication links).

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25 However, it is difficult to construct routers that make effective decisions based on load due to the problem of oscillation. For example, if link A is currently overloaded and link B is currently under loaded, then link B appears preferable to all the routers, which leads to link B being 30 overloaded and link A being under loaded, and so on. Consequently, currently-fielded commercially-available routers take into account only network topology when making

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5 routing decisions (though they may try to split traffic among  
10 equal-cost paths.) As a result, communication performance is  
not as good as is theoretically possible. Bandwidth, delay  
15 (latency) and reliability (i.e., packet loss) are all  
negatively affected by routing decisions that do not take  
5 network load into account.

Accordingly, there is a pressing need for decentralized  
15 routing algorithms that can effectively take both network  
topology and current and historical load on communication  
links into account.

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Summary of the Invention

20 The present invention present a method and system for  
routing control in communication networks by controlling the  
components in a network with software agents operating in a  
25 reward framework using p, tau, and patches to improve  
15 communication performance.

The present invention includes a method for routing  
packets of data through a network of a plurality of  
30 components comprising the steps of:

35 controlling one or more of said components by  
20 executing a corresponding one or more software agents,  
comprising the steps of:  
receiving information for at least one of the  
35 packets;  
computing an expected return for delivery of  
25 said at least one packet from said information; and  
25 directing the delivery of said at least one  
packet to optimize said expected return.

40 The present invention includes a method for routing  
packets of data through a network of a plurality of  
components comprising the steps of:

45 30 defining at least one algorithm having one or more  
parameters for routing the data;

5 defining at least one global performance measure of  
said at least one algorithm;  
executing said algorithm for a plurality of  
10 different values of said one or more parameters to generate a  
5 corresponding plurality of values for said global performance  
measure;  
constructing a fitness landscape from said values  
of said parameters and said corresponding values of said  
15 global performance measure; and  
optimizing over said fitness landscape to generate  
10 optimal values for said at least one parameter.

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Brief Description of Drawings

FIG. 1 provides a flow diagram describing the operation  
15 of software agents that direct the delivery of packets of  
data by controlling corresponding components in a  
25 communication network.

FIG. 2 provides a flow diagram for determining optimal  
values of parameters of methods performing routing control  
30 and system control.

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Detailed Description of the Preferred Embodiment

10 The present invention consists of installing an  
15 5 independent software agent at one or more routers. In the  
preferred embodiment, the independent software agents are  
installed in some or all of the routers at any level in a  
hierarchy of networks and subnetworks. Each software agent  
15 updates the routing information (as a non-limiting example,  
routing tables) in the memory of its associated router, and  
10 shares connectivity and load information with other software  
agents. The software agent may either run on the same  
20 processor as its associated router or on a different  
processor.

25 Each agent acts autonomously to optimize the value of  
15 some function combining its own performance index, and that  
of some (zero or more) selected neighbors (not necessarily  
immediate topological neighbors) as explained more fully  
below. The performance index is based on one of the  
30 following:

35 20 (a) its "earnings" from transmitting packets; or  
25 (b) a local measure of communication performance such  
as combining indices of load on adjacent links and  
expected delivery times of packets passing through  
its router.

40 Agents learn to optimize their performance index using  
25 reinforcement learning. An exemplary reinforcement learning  
technique is Q-learning.

45 30 Without limitation, the following embodiments of the  
present invention are described in the illustrative context  
of a solution that installs software agents at the routers of  
a communication network. However, it will be apparent to  
invention also applies to the use of software agents to

5 control other components of the communication network. For example, software agents could control one or more directional or non-directional communication links.

10 FIG. 1 provides a flow diagram 100 describing the 10 operation of software agents that direct the delivery of 5 packets of data by controlling corresponding components in a communication network. In step 102, the software agent receives information on a packet of data from other software 15 agents. Next, in step 104, the software agent computes an 10 expected return for delivering the packet of data using the information. Next, in step 106, the software agent controls the routing of the data through its corresponding component 20 to optimize the expected return. In step 108, the software agent transmits information to other software agents so that 25 they can similarly control their corresponding components to optimize their expected return.

15 **Integration With existing technology**

30 As a non-limiting example, the present invention integrates 30 with existing standards surrounding the Open Shortest Path 20 First (OSPF) routing standard (RFC-2328) as follows:

35 **Routing tables for OSPF-compatible routers :** Preferably, the 35 agents will not make routing decisions for each and every 40 communication request. For example, the software agents will 25 not make routing decisions for each packet that is to be 45 routed towards some destination. Instead, the agents will modify the routing information that the routing software or hardware uses to make decisions about communication requests. Preferably, the routing information is stored in routing 50 tables. Thus, the agent may take a significant amount of 30 time to perform a single action such as changing one entry in a routing table. Further, this single action may

5 subsequently affect decisions made by the router for an indefinite period of time.

10 5 **Hash-based load division** : As a non-limiting example, in packet-switched networks it is usually desirable to route all packets from the same source destined for the same destination along the same route. This scheme is used to prevent out-of-order arrival of packets. This scheme can be accomplished in OSPF-compatible routers by partitioning packets for the same destination host or subnet into classes based on a hash function of the source and destination host network addresses. The classes are contiguous regions of the range hash function and the borders of these regions are defined by the routing tables. The hash value could also be a function of other packet header parameters such as a reward value and quality of service specifications as defined in detail below.

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30 20 **Opaque Link State Advertisements** : Agents must be able to communicate information about local topology and load to other agents. Preferably, this information is in the form of bids for the delivery of packets. Alternatively, this information may be directly encoded. The communication of this information takes priority over regular data traffic in the network in order to ensure its timely arrival at nodes where it is needed. As a non-limiting example, this information could be packaged in Opaque Link State Advertisements packets (RFC--

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40 30 2370).

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25 Market-based reward framework  
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In the market-based reward framework, each packet  
contains a contract to pay some amount of a "cash" equivalent  
to the router that delivers it to its final destination. The  
30 contracted amount is paid in full only if the packet reaches  
its final destination within a constraint such as a pre-

5 specified quality of service constraint. Preferably, a  
10 portion of the contracted amount is paid at the destination  
15 if the packet arrives outside of the specified quality of  
20 service. This portion is determined as a function of the  
25 received quality of service. Preferably, less cash is  
30 released for packets that arrive with excessively long  
35 latency (for interactive connections). Likewise, less cash  
40 is released for packets that arrive out-of-order or at widely  
45 varying intervals (for audio or video streams). At the final  
50 destination node of a packet, market-arbiter software  
55 calculates the cash reward earned by the delivering software  
60 agent and the amount owed by the originating application.  
65 These rewards and bills are accumulated over time and sent  
70 out at a low frequency so as to impose only a negligible  
75 communication load on the network.  
80  
85 15 When reinforcement learning is used to adjust the  
90 behavior of agents, instantaneous rewards are based on the  
95 actual cash profit of the agent and optionally, the cash  
100 profit of neighboring agents (not necessarily topological  
105 neighbors) over some short past time period. Optionally, in  
110 order to prevent agents from charging arbitrary prices in  
115 monopoly situations, excess profit can be removed (taxed)  
120 from those agents whose long-term discounted expected reward  
125 exceeds a predefined target.

25 Each agent communicates "bids" that specify how much it will pay for packets having a particular destination, a particular specified quality of service, and a specified maximum rate to other agents. Preferably, each agent communicates the "bids" to its topologically neighboring agents. Bids may also have an expiration time. Optionally, the bids are represented by a function. Non-limiting  
30 function examples include a margin, a rate, a minimum contract value, and a minimum delivery time. For example, an

5                   agent at node B may specify that it will pay the value less 3  
units for up to 800 packets per second destined for node F  
having a value of at least 15 units and a remaining allowable  
delay of 120ms. Bids stand until they expire or until the  
10                node where a bid is held receives a message canceling and/or  
replacing the bid. Optionally, other quality of service  
parameters corresponding to the quality of service  
15                requirements of packets are included in the bids. For  
example, a higher price may be paid for packets that arrive  
in sequence. Bids may also specify a route. When bids  
10                specify a route, agent may not sell a packet against a bid  
that would result in the packet returning to the same router.  
20                For example, if B submits a bid to A to deliver packets to E  
via the path CDAF, then A may not sell to B packets destined  
for E.

25                15                Packets that are received by a node (either from an  
application program at the node, or from another node) that  
do not conform to the parameters of an existing bid (e.g.,  
insufficient contract value or too many in a given time  
period) do not require payment. Instead, these packets are  
30                owned by the agent at the node and may be sold.

20                20                Optionally, in addition to the agent software, nodes  
also execute market-arbiter software. The market-arbiter  
35                software keeps track of bids and updates and allocates  
payment for packets in accordance with the previously  
discussed market rules. Optionally, bids specify "preference  
40                25                surfaces" that give propensities to buy or sell as  
probabilistic functions of qualify of service, delay, and  
other features. Preference surfaces were defined in co-  
pending patent application number 09/345,441, titled, "An  
Adaptive and Reliable System and Method for Operations  
45                30                Management" and filed on July 1, 1999, the contents of which  
are herein incorporated by reference. Preferably, the

5 market-arbiter software matches preference surfaces of  
bidders and sellers to optimize a total "utility" for a group  
of packets and routers.

10 Preferably, agents make decisions based on sources of  
10 information. The decisions include:

5 the determination of bids and bid updates to submit to  
other software agents, and

15 the modification of the routing tables to direct packet  
flow so as to optimize the expected return on the routed  
packets.

10 The sources of information include:

20 bids received from other agents,

25 measured flows of packets through the associated router  
of the agent, and

15 the expected return at the router and at neighboring  
routers (that are not necessarily neighbors in the  
topographical sense).

25 The execution of the software agents using these market  
rules lead to the following network behavior:

30 - Agents will pay more for packets nearer the destination.

20 The agent in the destination node receives the contract  
value in the packet when it delivers the packet to the  
destination application. Consequently, it will be  
willing to pay a high price (near the contract value)  
35 for such packets. The agent in next-to-last node will  
be willing to pay a slightly lower price, and so on.  
25 Packets far from their destination will be purchased for  
relatively little.

40 - It will generally cost more to send packets further.  
Since the agent at each node along a route takes its own  
margin (e.g., buys packets for 8 units, and sells them  
45 for 10 units), it will cost more to send packets  
further. Preferably, the margins charged by agents

5 reflect actual establishment and/or operating costs for particular communication links.

25                    15 Application programs at nodes will know how much it costs to send a packet to a particular destination. The bids lodged at a node specify how much it costs to send a packet to a particular destination. Once the packet is in transit, even if routing costs change, intermediate nodes are still motivated to forward packets as explained further in the next paragraph.

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35 - Packets are always worth sending. Even if an agent is caught in a crunch, it is still worthwhile for the agent to sell the packets at a loss. For example, suppose an agent receives 500 packets at a price of 7 units,

25 40 30 - expecting to be able to sell them for 9 units. Suppose further that the bid drops to 3 units before the agent can sell them. Even in this situation, the agent will sell the packets at a loss because if it retains these packets, it receives no reward at all from them as their contract value is not realized until they reach their destination.

5           - *Agents will have to make predictions about future packet flow. Since decisions cannot be made about individual packets but only about bids and routing table entries, earnings will depend on the flow of packets and may fluctuate. Preferably, agents make predictions about future packet flow in order to set routing table entries so as to maximize expected return. For example, an agent may set routing table entries to forward most of the received packets to a neighbor who pays well for them (but not too many, since it will not receive a reward for the ones sold above a predetermined rate as explained in the preceding monopoly discussion).*

10           5           - *Agents will be motivated to keep bids up-to-date and high. If an agent charges too large a margin (i.e., its bids are too low), it will lose business to competitors, and consequently will receive a lower return. If an agent lets its bids get out-of-date and too high, it will receive a lower or negative return on packets that it forwards. Hence, agents will be motivated to keep bids high (i.e. margins low) and up-to-date.*

15           - *Earnings at nodes can help guide decisions about short- and long-term resource allocation. If margins at nodes are designed to accurately reflect costs of communication, then market theory indicates that prices charged by agents will accurately reflect benefits of allocating additional resources (barring monopoly situations). Thus, prices charged by agents can be used as a guide for allocating short-term or long-term resources such as a temporary connection or a leased line.*

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**Local-performance reward framework**

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An alternative to the market-based reward scheme is a scheme where local rewards are based on unbiased estimates of packet delivery times. Preferably, packet delivery times are estimated in a decentralized fashion by plugging reported link loads into models of network performance. The immediate reward for an agent at a node is the inverse of an increasing function of the aggregate estimated packet delivery times. Optionally, the immediate reward also incorporates other indices of quality of service. In the local performance reward framework, agents modify routing tables in an attempt to reduce the estimated delivery times or improve other aspects of quality of service.

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**Locally-cooperative local reinforcement learning**

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Having all agents attempt to optimize their local figures of merit will not always result in the discovery of the globally optimum configuration as explained in "At Home in the Universe" by Stuart Kauffman, Oxford University Press, Chapter 11 in the context of an NK fitness landscape, the contents of which are herein incorporated by reference. This result occurs because actions taken by one agent affects its state and possibly changes the context of the reward for its neighboring agents.

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Accordingly, in the preferred embodiment the present invention utilizes combinations of the following three semi-local strategies:

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**patches** In this technique, agents are partitioned into disjoint subsets called patches. The patches may or may not be topologically contiguous. Within a patch, the actions of agents are coordinated to

5 maximize the aggregate figure of merit for the  
entire patch. The size and location of patches are  
parameters for this strategy.

10 5 p A neighborhood is defined for a node such that when  
a decision is made there, figures of merit at the  
current node and at a proportion p of neighboring  
nodes are taken into account. A neighborhood need  
not consist of the immediate topological neighbors  
of the node.

15 10 tau Only a fraction (called tau) of the agents make  
decisions that change the portions of their state  
that affect the reward of other agents at the same  
time.

20 15 FIG. 2 provides a flow diagram 200 for determining  
optimal values of parameters of methods performing routing  
control and system control. In step 210, the present  
invention defines a global performance measure for the  
network. In step 220, the present invention defines an  
optimization algorithm having at least one parameter.

25 20 Exemplary parameters include the size and location of  
patches, the neighborhood, p where the figures of merit are  
considered in making a decision and the fraction, tau, of the  
agents that change portions of their state that affect the  
reward of other agents. In step 230, the method 200  
30 25 constructs a landscape representation for values of the  
parameters and their associated global performance measure.  
40 In step 240, the method optimizes over the landscape to  
produce optimal values for the parameters.

45 30 In the preferred embodiment, the present invention uses  
either patches or p or both to define a modified reward and  
hence, a return, for an agent in the network routing problem.  
As explained earlier, the figure of merit for an agent is

5 either its earnings in the market-based framework or its  
local measure of performance in the local performance  
framework. Optionally, the present invention uses the tau  
strategy either alone, or in conjunction with  $p$  and "patches"  
10 5 to limit the opportunities agents have for making decisions  
that affect the return of other agents. For example, the  
reward for an agent is the aggregate earnings for a region of  
agents (a patch) and the bids and routing tables for only a  
15 fraction tau of agents change at the same time.

Preferably, the parameters for these strategies (the fraction  
10  $p$ , the fraction tau and the number and membership of patches)  
are global in nature. In other words, the values of these  
20 parameters are the same for all agents. Alternatively, the  
values of the parameters may vary among the agents.

Preferably, the present invention sets these parameters  
25 15 as follows:

First, a global performance measure is defined.  
Preferably, the global performance measure is a combination  
of the average delivery time and the achieved network  
bandwidth. Second, the algorithm has an outer loop that  
30 varies these parameters in order to maximize the global  
20 performance measure in accordance with techniques for  
searching landscapes as described in the co-pending  
international patent application titled, "A System and Method  
for the Analysis and Prediction of Economic Markets", filed  
35 December 22, 1999 at the U.S. receiving office, the contents  
25 of which are herein incorporated by reference.

Preferably, each value of the global parameters  
governing  $p$ , patches, tau, and reinforcement learning  
40 features, defines a point in the global parameter space.  
With respect to this point, the bandwidth-agent system of the  
present invention achieves a given global fitness. The  
30 distribution of global fitness values over the global  
45 parameter space constitutes a "fitness landscape" for the

5 entire bandwidth-agent system. Such landscapes typically  
have many peaks of high fitness, and statistical features  
such as correlation lengths and other features as described  
in co-pending international patent application number  
10 5 PCT/US99/19916, titled, "A Method for Optimal Search on a  
Technology Landscape", the contents of which are herein  
incorporated by reference. In the preferred embodiment,  
these features are used to optimize an evolutionary search in  
15 the global parameter space to achieve values of  $p$ , patches,  
tau, and the internal parameters of the reinforcement  
10 learning algorithm that optimize the learning performance of  
the bandwidth-agent system in a stationary environment with  
respect to load and other use factor distribution.  
20 Preferably, the same search procedures are also used to  
persistently tune the global parameters of the bandwidth-  
agent system in a non-stationary environment with respect to  
25 load and other use factor distributions.

By tuning of the global parameters to optimize learning,  
the present invention is "self calibrating". In other  
words, the invention includes an outer loop in its learning  
procedure to optimize learning itself, where co-evolutionary  
30 20 learning is in turn controlled by combinations of  $p$ , patches,  
and tau, plus features of the reinforcement learning  
algorithm. The inclusion of features of fitness landscapes  
aids optimal search in this outer loop for global parameter  
35 values that themselves optimize learning by the bandwidth-  
agent system in stationary and non-stationary environments.

40 Use of  $p$ , tau, or patches aids adaptive search on rugged  
landscapes because, each by itself, causes the evolving  
system to ignore some of the constraints some of the time.  
Judicious balancing of ignoring some of the constraints some  
45 30 of the time with search over the landscape optimizes the  
balance between "exploitation" and "exploration". In  
particular, without the capacity to ignore some of the

5 constraints some of the time, adaptive systems tend to become  
trapped on local, very sub-optimal peaks. The capacity to  
ignore some of the constraints some of the time allows the  
10 total adapting system to escape badly sub-optimal peaks on  
the fitness landscape and thereby, enables further searching.

10 5 In the preferred embodiment, the present invention tunes  $p$ ,  
tau, or patches either alone or in conjunction with one  
another to find the proper balance between stubborn  
15 exploitation hill climbing and wider exploration search.

15 The optimal character of either tau alone or patches  
alone, is such that the total adaptive system is poised  
20 slightly in the ordered regime, near a phase transition  
between order and chaos. See e.g. "At Home in the Universe"  
by Kauffman, Chapters 1,4, 5 and 11, the contents of which  
are herein incorporated by reference and "The Origins of  
25 Order, Stuart Kauffman, Oxford University Press, 1993,

25 15 Chapters 5 and 6, the contents of which are herein  
incorporated by reference. For the  $p$  parameter alone, the  
optimal value of  $p$  is not associated with a phase transition.

30 Without limitation, the embodiments of the present  
invention are described in the illustrative context of a  
20 solution using tau,  $p$ , and patches. However, it will be  
apparent to persons of ordinary skill in the art that other  
techniques that ignore some of the constraints some of the  
35 time could be used to embody the aspect of the present  
invention which includes defining an algorithm having one or  
more parameters, defining a global performance measure,  
25 constructing a landscape representation for values of the  
parameters and their associated global performance value, and  
40 optimizing over the landscape to determine optimal values for  
the parameters. Other exemplary techniques that ignore some  
of the constraints some of the time include simulated  
annealing, or optimization at a fixed temperature. In  
45 30 general, the present invention employs the union of any of  
these means to ignore some of the constraints some of the

5 time together with reinforcement learning to achieve good  
10 problem optimization.

15 Further, there are local characteristics in the adapting  
5 system itself that can be used to test locally that the  
system is optimizing well. In particular, with patches alone  
and tau alone, the optimal values of these parameters for  
adaptation are associated with a power law distribution of  
10 small and large avalanches of changes in the system as  
changes introduced at one point to improve the system unleash  
20 a cascade of changes at nearby points in the system. The  
present invention includes the use of local diagnostics such  
as a power law distribution of avalanches of change, which  
are measured either in terms of the size of the avalanches,  
25 or in terms of the duration of persistent changes at any  
15 single site in the network.

30 The present invention's use of any combination of the  
above strategies, together with reinforcement learning in any  
of its versions, give it an advantage over prior art routing  
methods because these strategies address many problems that  
could arise including the following:

35

20 - slow convergence to optimal routing patterns,  
- oscillation of network load, and  
- locally beneficial but globally harmful routing  
patterns.

40

25 Without limitation, the embodiments of the present  
invention have been described in the illustrative context of  
a method for routing data through a communication network.  
However, it is apparent to persons of ordinary skill in the  
art that other contexts could be used to embody the aspect of  
45 the present invention which includes defining an algorithm  
30 having one or more parameters, defining a global performance  
measure, constructing a landscape representation for values  
of the parameters and their associated global performance

5 value, and optimizing over the landscape to determine optimal values for the parameters.

10 For example, the present invention could be used for operations management as explained in co-pending U.S. patent application No. 09/345,441, titled, "An Adaptive and Reliable 5 System and Method for Operations management" and filed on July 1, 1999, the contents of which are herein incorporated by reference. That patent describes a model of an enterprise 15 in its competitive environment, based on technology graphs that support a nodes and flow model of an organization, plus 20 a management structure. The present invention, using agents to represent objects and operations in the enterprise model, coupled to reinforcement learning,  $p$ , patches and  $\tau$ , is used advantageously to create a model of a learning 25 organization that learns how to adapt well in its local environment. By use of the outer loop described above, good 30 global parameter values for  $p$ , patches,  $\tau$ , and the reinforcement learning algorithm are discovered. In turn, 35 these values are used to help create homologous action patterns in the real organization. For example, the homologous action patters can be created by tuning the 40 partitioning the organization into patches, by tuning how decisions at one point in the real organization are taken with respect to a prospective benefit of a fraction  $p$  of the other points in the organization affected by the first point, 45 and by tuning what fraction,  $\tau$ , of points in the organization should try operational and other experiments to 50 improve performance.

In addition, the distribution of contract values and rewards in the reinforcement algorithm can be used to help 40 find good incentive structures to mediate behavior by human agents in the real organization to achieve the overall 45 adaptive and agile performance of the real organization.

5       In addition to the use of the invention to find good global  
parameters to instantiate in the real organization, the same  
invention can be used to find good global parameter values to  
utilize in the model of the organization itself to use that  
10      model as a decision support tool, teaching tool, etc.

15      5       Further, the present invention is also applicable to  
portfolio management, risk management, scheduling and routing  
problems, logistic problems, supply chain problems and other  
practical problems characterized by many interacting factors.

20      While the above invention has been described with  
reference to certain preferred embodiments, the scope of the  
present invention is not limited to these embodiments. One  
skill in the art may find variations of these preferred  
embodiments which, nevertheless, fall within the spirit of  
the present invention, whose scope is defined by the claims  
15      set forth below.

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**Claims**

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Claims

10 1. A method for routing packets of data through a  
5 network of a plurality of components comprising the steps of:  
controlling one or more of said components by  
executing a corresponding one or more software agents,  
comprising the steps of:

15 receiving information for at least one of the  
packets;

10 10 computing an expected return for delivery of  
said at least one packet from said information; and  
20 directing the delivery of said at least one  
packet to optimize said expected return.

15 15 2. A method as in claim 1 wherein said  
information for said at least one packet comprises a  
destination.

30 3. A method as in claim 2 wherein said  
information for said at least one packet further comprises a  
20 contract to pay a specified reward to said one or more  
software agents that delivers said at least one packet to  
said destination.

35 4. A method as in claim 3 wherein said  
25 information of said at least one packet further comprises a  
specified quality of service.

40 5. A method as in claim 4 wherein said specified  
reward varies with a delivered quality of service in  
comparison with said specified quality of service.

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5                   6. A method as in claim 4 wherein said  
information for said at least one packet comprises at least  
one bid specifying a price that said one or more software  
agent will pay for said at least one packet having said  
10                5 destination and said quality of service.

15                7. A method as in claim 4 wherein said quality of  
service comprises a latency for said at least one packet.

20                8. A method as in claim 4 wherein said quality of  
10 service comprises a specified order for delivery of said at  
least one packet.

25                9. A method as in claim 1 wherein said  
information for said at least one packet comprises at least  
15 one bid specifying a price that said one or more software  
agent will pay for said at least one packet.

30                10. A method as in claim 9 wherein said at least  
one bid further comprises an expiration time.

20                11. A method as in claim 9 wherein said at least  
one bid further comprises a margin.

35                12. A method as in claim 9 wherein said at least  
one bid further comprises a minimum value.

25                13. A method as in claim 9 wherein said at least  
40                one bid further comprises a minimum delivery time.

30                14. A method as in claim 9 wherein said at least  
45                one bid further comprises a specified route.

5                   15. A method as in claim 9 wherein said at least  
one bid is a satisfaction profile defining a satisfaction of  
trading said at least one packet as a probability density  
function of at least one parameter.

10                 5                   16. A method as in claim 15 wherein said at least  
one parameter of said probability density function comprises  
a quality of service.

15                 17. A method as in claim 1 wherein said expected  
10 return for delivery of said at least one packet is an  
expected reward discounted to present value.

20                 18. A method as in claim 1 wherein said expected  
return for delivery of said at least one packet step varies  
15 inversely with an estimated delivery time for said at least  
one packet.

25                 19. A method as in claim 18 wherein said  
controlling one or more components step further comprises the  
step of transmitting delivery loads to others of said one or  
20 more software agents for determining said estimated delivery  
time for said at least one packet.

30                 20. A method as in claim 1 wherein said one or  
more software agents control one or more legal entities of  
25 the network.

35                 21. A method as in claim 1 wherein said one or  
more software agents control one or more communication links  
40 of the network.

45                 30                 22. A method as in claim 1 wherein said  
controlling one or more of said components step further

5 comprises the step of partitioning said one or more software  
agents into one or more patches.

10 23. A method as in claim 22 wherein said directing  
5 the delivery of said at least one packet step comprises the  
step of optimizing said expected return of said patch.

15 24. A method as in claim 1 wherein said computing  
an expected return step comprises the step of:  
10 selecting a portion  $p$  of said one or more software  
agents; and  
20 computing said expected return of said selected  
portion  $p$  of said one or more software agents.

25 25. A method as in claim 24 wherein said delivery  
15 of said at least one packet is directed to optimize said  
expected return of said selected portion  $p$  of said one or  
more software agents.

30 26. A method as in claim 1 wherein said  
controlling one or more of said components step further  
20 comprises the step of transmitting said information from said  
one or more software agents to others of said software  
agents.

35 27. A method as in claim 26 wherein said  
25 transmitted information comprises at least one bid specifying  
a price that said one or more software agents will pay for  
40 said at least one packet.

45 28. A method as in claim 26 wherein said  
transmitted information comprise delivery loads.  
30



5                   32. A method as in claim 31 wherein said at least  
one parameter comprises a proportion  $p$  of said one or more  
software agents.

10                 5           33. A method as in claim 32 wherein said computing  
an expected return step comprises the step of:  
                          computing said expected return of said  
                          proportion  $p$  of said one or more software agents.

15                 10        34. A method as in claim 31 wherein said at least  
one parameter comprises a size of one or more patches of said  
one or more software agents and a location of said patches.

20                 15        35. A method as in claim 34 wherein said directing  
the delivery of said at least one packet step comprises the  
step of:  
                      15        optimizing said expected return of said patch.

25                 30        36. A method as in claim 31 wherein said at least  
one parameter comprises a fraction,  $\tau$ , of said one or more  
software agents.

30                 20        37. A method as in claim 36 wherein only said  
fraction,  $\tau$ , of said software agents communicate  
information for said at least one packet at the same time.

35                 25        38. A method for performing operations management  
in an environment of entities comprising the steps of:  
                      40        representing at least one of the entities with at  
least one corresponding model having a plurality of  
parameters;  
                      45        defining at least one global performance measure of  
30        said model;

5 constructing a fitness landscape from said values  
of said parameters and said corresponding values of said  
global performance measure; and

15 optimizing over said fitness landscape to generate  
optimal values for said at least one parameter.

20 10 39. A method as in claim 38 wherein said  
representing at least one of the entities with at least one  
corresponding model having a plurality of parameters step  
comprises the steps of:

representing a plurality of decision making units  
15 within the entities with a corresponding plurality of  
decision making agents; and

representing a plurality of communication links among the decision making units with a corresponding plurality of connections among said plurality of decision making agents.

20 40. A method as in claim 39 further comprising the steps of:

35 communicating information among said decision  
making agents:

25 computing an expected return at said decision  
making agents from said information; and

40 making at least one decision at said decision  
making agent to optimize said expected return.

41. A method as in claim 40 wherein said at least  
45 30 one parameter comprises a proportion  $p$  of said decision  
making agents.

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42. A method as in claim 41 wherein said computing an expected return step comprises the step of:  
computing said expected return of said proportion  $p$  of said decision making agents.

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43. A method as in claim 40 wherein said at least one parameter comprises a size of one or more patches of said decision making agents and a location of said patches.

15

44. A method as in claim 43 wherein said making at least one decision step comprises the step of:  
optimizing said expected return of said patch.

20

45. A method as in claim 40 wherein said at least one parameter comprises a fraction,  $\tau$ , of said decision making agents.

25

46. A method as in claim 45 wherein only said fraction,  $\tau$ , of said decision making agents communicate information at the same time.

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20 47. Computer executable software code stored on a computer readable medium, the code for routing packets of data through a network of a plurality of components, the code comprising:

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25 code to control one or more of said components by executing a corresponding one or more software agents, comprising:

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code to receive information for at least one of the packets;

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code to compute an expected return for delivery of said at least one packet from said information;

30 and

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5 code to direct the delivery of said at least one packet to optimize said expected return.

10 50. A programmed component for routing packets of  
10 data through a network comprising at least one memory having  
5 at least one region storing computer executable program code  
and at least one processor for executing the program code  
stored in said memory, wherein the program code comprises:  
15 code to control one or more of said components by  
executing a corresponding one or more software agents,  
10 comprising:

code to receive information for at least one  
of the packets;

code to compute an expected return for delivery of said at least one packet from said information; and

15 and

25 code to direct the delivery of said at least  
one packet to optimize said expected return.

code to direct the delivery of

30 49. Computer executable software code stored on a  
computer readable medium, the code for routing packets of  
20 data through a network of a plurality of components, the code  
comprising:

code to define at least one algorithm having one or more parameters for routing the data;

code to define at least one global performance

25 measure of said at least one algorithm

code to execute said algorithm for a plurality of different values of said one or more parameters to generate

corresponding plurality of values for said global performance measure;

code to construct a fitness landscape from said values of said parameters and said corresponding values of said global performance measure; and

5 code to optimize over said fitness landscape to  
generate optimal values for said at least one parameter.

10

5 50. A programmed component for routing packets of  
data through a network comprising at least one memory having  
at least one region storing computer executable program code  
and at least one processor for executing the program code  
stored in said memory, wherein the program code comprises:

15 code to define at least one algorithm having one or  
more parameters for routing the data;

10 10 code to define at least one global performance  
measure of said at least one algorithm;

20 code to execute said algorithm for a plurality of  
different values of said one or more parameters to generate a  
corresponding plurality of values for said global performance  
measure;

25 15 code to construct a fitness landscape from said  
values of said parameters and said corresponding values of  
said global performance measure; and

30 code to optimize over said fitness landscape to  
generate optimal values for said at least one parameter.

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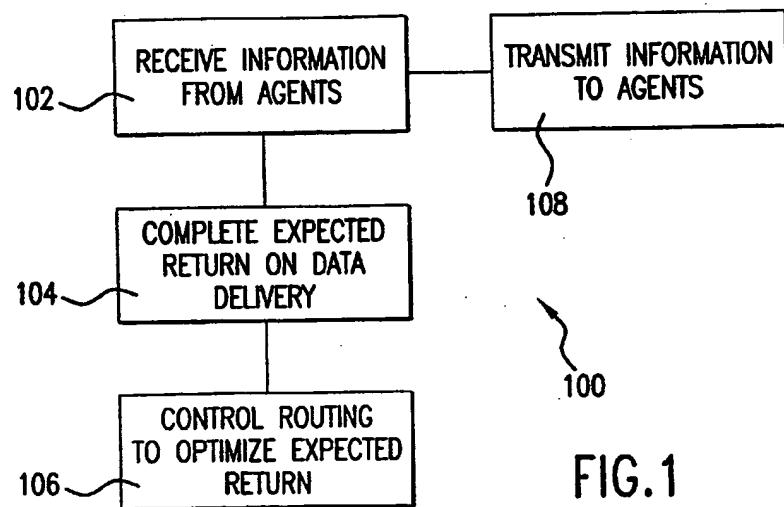


FIG.1

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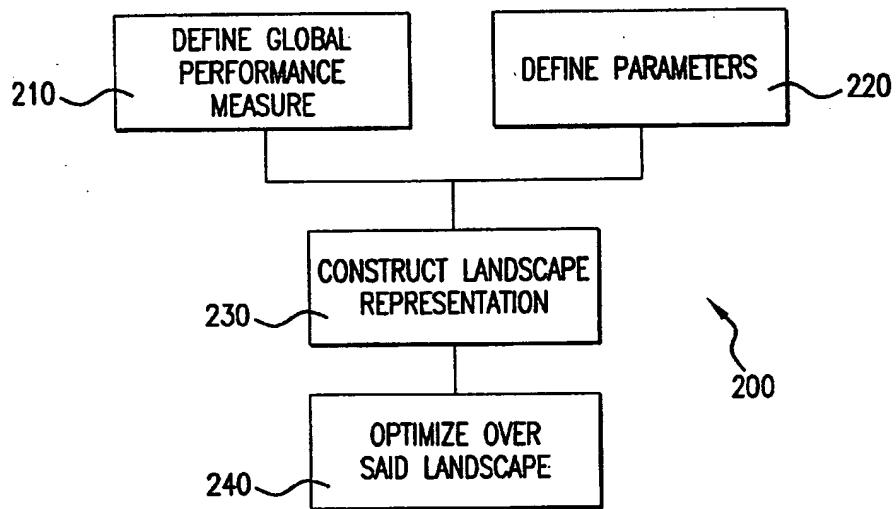


FIG.2

## INTERNATIONAL SEARCH REPORT

International application No.  
PCT/US00/02011

A. CLASSIFICATION OF SUBJECT MATTER		
IPC(7) :H04M 15/00; H04L 12/46; G06F 15/18 US CL :Please See Extra Sheet. According to International Patent Classification (IPC) or to both national classification and IPC		
B. FIELDS SEARCHED		
Minimum documentation searched (classification system followed by classification symbols) U.S. : 370/252, 253, 255, 270, 400, 408; 706/8, 12, 19, 25; 709/238, 242, 243		
Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched		
Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)		
C. DOCUMENTS CONSIDERED TO BE RELEVANT		
Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X,E -- Y	US 6,046,985 A (ALDRED ET AL) 04 APRIL 2000, col. 4, line 59 to col. 11, line 39.	1, 2, 20, 21, 26, 28
Y	US 5,790,642 A (TAYLOR ET AL) 04 AUGUST 1998, col. 4, line 11 to col. 9, line 53.	3-16, 27, 47-48
A	AHN ET AL, GENROUTER: A GENETIC ALGORITHM FOR CHANNEL ROUTING PROBLEMS, IEEE, MAY 1995, pp. 151-154.	3-16, 27, 47-48
		1-50
<input type="checkbox"/> Further documents are listed in the continuation of Box C. <input type="checkbox"/> See patent family annex.		
<p>* Special categories of cited documents.</p> <p>*A* document defining the general state of the art which is not considered to be of particular relevance</p> <p>*B* earlier document published or after the international filing date</p> <p>*L* document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)</p> <p>*O* document referring to an oral disclosure, use, exhibition or other means</p> <p>*P* document published prior to the international filing date but later than the priority date claimed</p> <p>*T* later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention</p> <p>*X* document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone</p> <p>*Y* document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art</p> <p>*A* document member of the same patent family</p>		
Date of the actual completion of the international search	Date of mailing of the international search report	
07 JUNE 2000	06 JUL 2000	
Name and mailing address of the ISA/US Commissioner of Patents and Trademarks Box PCT Washington, D.C. 20231 Facsimile No. (703) 305-3230	Authorized officer DUONG, FRANK Telephone No. (703) 308-5428	

INTERNATIONAL SEARCH REPORT

International application No.  
PCT/US00/02011

A. CLASSIFICATION OF SUBJECT MATTER:  
US CL :

370/252, 253, 255, 270, 400, 408; 706/8, 12, 19, 25; 709/238, 242, 243